

IRS News Release

Media Relations Office

Washington, D.C.

Media Contact: 202.622.4000

www.irs.gov/newsroom

Public Contact: 800.829.1040

IRS Accepting Grant Applications for Low Income Taxpayer Clinics

IR-2005-62, May 24, 2005

WASHINGTON — The National Taxpayer Advocate, Nina E. Olson, today announced that the 2006 Low Income Taxpayer Clinic (LITC) grant application process is now open. The Low Income Taxpayer Clinic grant program is entering its eighth year and continues to expand. Under the program, IRS awards matching grants up to \$100,000 a year to develop, expand or continue low income taxpayer clinics. To date in 2005, the LITC Program Office has awarded LITC grants to 145 organizations in 48 states, the District of Columbia and Puerto Rico.

Nonprofit organizations providing free or nominal fee representation to people involved in tax disputes can apply for grants up to \$100,000 for the 2006 grant cycle (the 2006 grant cycle runs Jan. 1, 2006, through Dec. 31, 2006). Grants are also available for organizations that inform taxpayers for whom English is a second language of their tax rights and responsibilities. Grant funds may be awarded for start-up expenditures incurred by new clinics during the 2006 grant cycle.

The National Taxpayer Advocate sees funding the low income taxpayer clinics and the provision of free or nominal fee tax representation as a significant step toward a more equitable tax system. The IRS is committed to achieving the maximum access to representation for low income taxpayers possible under the terms of this grant program. The IRS matching grant program encourages the establishment and operation of low income taxpayer clinics across the nation. These clinics provide an important resource to taxpayers who may not be able to afford a tax professional.

The application period for the 2006 LITC grant program began May 23 and applications for grants must be electronically filed or received by 4 p.m. on July 25, 2005.

Copies of Publication 3319, 2006 Grant Application Package and Guidelines (Rev. 5-2005), are available on IRS.gov at www.irs.gov/advocate. Application packages may also be ordered by calling 1-800-829-3676. Applicants can also file electronically at www.grants.gov. For applicants applying through the Federal Grants Web site, the "Funding Number" is TREAS-GRANTS-052006-001.

Questions about the LITC Program or grant application process can be addressed to the LITC Program Office at (404) 338 -8306 (not a toll-free call) or by e-mail at LITCProgramOffice@irs.gov.